

Department of Port Control

Ordinance No.: 84-2019

Business Development & Management

EXECUTIVE SUMMARY

The Department of Port Control is requesting authority to enter into a Lease Agreement with AvAirPros Services, Inc. for the lease of certain space in the terminal building at Cleveland Hopkins International Airport for the purpose of operating and maintaining the inline baggage handling system, for the Department of Port Control, for a period of two years, with three one-year options to renew, the first of which shall require additional legislative authority.

Background/Purpose:

Effective October 1st, 2018, the Department of Port Control (“Department”) entered into a License Agreement with AvAirPros Services, Inc. (“AvAirPros”) under the authority of Section 183.16 of the Codified Ordinances of the City of Cleveland for the use and occupancy of approximately 4,880 square feet of space located in various areas of the terminal building to operate and maintain the Airports’ Inline Baggage Handling System. The term is currently not to exceed four (4) months. AvAirPros was chosen by the signatory airlines to take over this responsibility from RP Mayer & Associates. AvAirPros Services, Inc. has requested to enter into a lease for the aforementioned space.

Scope:

The following are provisions to be contained in the lease agreement:

- (A) The leasehold premises shall be approximately 4,880 square feet of space located at Cleveland Hopkins International Airport.
- (B) The leased premises will be used for the purpose of operating and maintaining the Airports’ Inline Baggage Handling System. This includes the baggage handling system control, data rooms, office, restrooms, workshop, locker room and storage space.
- (C) The current annual rental rate of \$503,674.40 is payable in monthly installments of \$41,972.87, which is based on the current terminal rental rates. The rental rate for each year will be adjusted based on the Airport’s rates and charges calculation as outlined in the airline Master Lease and Agreement.

Justification /Urgency:

The Lease of the space is necessary to operate and maintain the Airports' Inline Baggage Handling System at Cleveland Hopkins International Airport.

Anticipated Cost:

None

Schedule or Term of Contract:

The Department is requesting an initial term of two (2) years, with three (3) one-year options for renewal, the first option subject to additional legislative approval.

Current Contract:

Name	Expiration	Contract No.	Amount
AvAirPros Services, Inc.	1-31-2018	120 Day License	\$539,096.80 per year

Total number of employees – 2
Number of employees that are minorities – 0
Number that are women – 1
Number that are City of Cleveland Residents -0